

**State of Alaska Department of Health & Social Services  
Division of Senior and Disabilities Services  
Alaska Coming Home Program**

**Recommended Priorities for  
Assisted Living Development  
in Rural Alaska**

**October 2003**

**Background**

The first assisted living homes in Alaska for frail elderly people and people with physical disabilities were licensed beginning in 1995, and the number of homes has grown steadily since that time. As of August 2003, 155 homes were licensed through the State Division of Senior and Disabilities Services to provide care. About three-quarters of these are located in urban centers; Anchorage, Fairbanks, Ketchikan, and Juneau. Other large concentrations are found in the Mat/Su Valley and on the Kenai Peninsula. Only seven homes are currently operating outside of these areas. One of these homes is a Pioneer Home in Sitka. The remaining six homes are located in Barrow, Kotzebue, Dillingham, Tanana, Wrangell, and Kodiak<sup>1</sup>.

Assisted living homes are part of a continuum of long-term care. Home based services may meet the initial needs of aging and disabled individuals. Assisted living homes can often provide services for frail Elders and people with disabilities to remain in their home communities when their need for care escalates beyond what their family or home-based services can provide. Nursing homes provide the most skilled and intensive level of care. Nursing homes may also provide short-term services. If available, a person may transfer from the nursing home when their condition improves or stabilizes to receive the care they need in an assisted living home.

An assisted living home is a business, bringing much-needed employment and revenue to a community. The logistics of operating a licensed home, however, are complex. Assisted living is a “round-the-clock” operation, requiring skilled staff and management, an accessible home or building, and consistent community collaboration and support. Planning and fund-raising for development of the home may take years of effort. Once built, continual operational subsidies may be needed to keep the home functioning.

In 2001, the State of Alaska received funding from the Robert Wood Johnson Coming Home Program to promote affordable rural assisted living homes. A staff person was hired specifically to provide technical assistance to communities, and a Coming Home Advisory Group composed of representatives from funding sources, state offices, and consumer advocacy organizations was formed. In the fall of 2001 a work group was established, with a dual purpose; 1) to develop guidelines to help the Coming Home Program staff and various funders determine which proposed projects have the highest needs and the greatest chance of success, and 2) to help communities identify their true

needs and develop realistic plans and expectations. They were finalized and approved by the Coming Home Advisory Group at their June 2002 meeting. These recommendations were updated in October 2003 to reflect new information and trends.

### **Affordable Assisted Living Defined**

An assisted living home helps elderly people and people with disabilities maintain independence and dignity by providing a congregate residential setting with personal and healthcare services, including 24-hour supervision and assistance. It provides activities and services designed to: 1) minimize the need to move; 2) accommodate individual residents' changing needs and preferences; 3) maximize residents' autonomy, privacy, independence and safety; and 4) encourage family and community involvement.

Affordable assisted living refers to a fee schedule for room, board, and services that is affordable to people with moderate or limited income and resources. People in affordable assisted living may be on Medicaid, General Relief, Adult Public Assistance, Social Security, or SSI; or they may have limited retirement or other private funds.

### **Current Climate**

- The number of Alaskans over the age of 60 is expected to more than triple from 8.5% of the population in 2000 to 20% of the population in 2025. Ninety percent of seniors age 60 and over expect to remain in Alaska<sup>2</sup>.
- 14% of seniors age 65 and over fall below the poverty line in 2000, increasing from only 7.6% of seniors in 1990. A steadily increasing percentage of the senior population is participating in the Medicaid Waiver program (from 1.3% in 1997 to 2.8% in 2000). Many seniors become low-income and therefore eligible for Medicaid as they spend down their resources paying for long-term care<sup>2</sup>.
- State participation in the Home and Community Based Medicaid Waiver program allows Medicaid dollars to be spent on assisted living, care coordination, chore, respite, meals, transportation, and other services which enable seniors and adults with physical disabilities to remain in their own home or an assisted living home instead of a more expensive and usually more restrictive nursing home.
- Total Alaska Medicaid expenditures for the 818 people in nursing homes in FY03 were \$57.6 million. Total FY03 Medicaid expenditures for the 2,254 people on the Older Alaskans and Adults with Physical Disabilities Waiver (which includes payments for assisted living and other home and community-based services) was \$39.3 million. In addition, more than 2500 people received Medicaid-funded Personal Care Attendant services in their own homes, for \$38 million.<sup>3</sup>
- A disparity in the availability of some Medicaid Waiver services still exists between urban and rural communities. The southwest, interior, and northern regions have more gaps in services than other areas of the state.

- There are currently seven publicly owned assisted living homes, including the six state-operated Pioneer Homes. These seven homes have 619 beds. In the private sector, there are 148 homes with 959 units<sup>1</sup>.
- Most of the assisted living in Alaska could be considered affordable, since people on Medicaid and other public sources can afford it, and most homes base their fees on what Medicaid will pay. During FY03, 659 people on the Medicaid Waiver received services in an assisted living home. None of the publicly owned homes accept Medicaid for payment; instead they utilize a sliding-fee scale.
- The Denali Commission is infusing millions of federal dollars into rural Alaska to upgrade utility and health care infrastructure. These improvements will make assisted living more feasible in a larger number of communities.
- Grants and loans for assisted living development are available from a number of different sources. Communities are becoming more adept at doing appropriate planning, developing partnerships, and leveraging funds for the projects they want.

### **General Recommendations**

1. Continue to provide information about assisted living to all interested communities. Written materials, a 14-minute introductory video, television and radio public service announcements, and a program website have been developed. The written materials have also been sent to all organizations that work with seniors and people with disabilities. The purpose of these promotional materials is to increase the general public's understanding of the goals, services, licensing requirements, and feasibility of assisted living. Workshops have been conducted around the state when requested.
2. Encourage communities to determine their readiness for an assisted living home by conducting a community self-assessment. The self-assessment should examine the actual need for assisted living, and the amount of available community support and infrastructure. The self-assessment should determine whether other community-based services (for example; respite care, adult day care, homemaker and chore services, personal care services, home health) could be expanded or implemented to meet the need for services. Coming Home staff may facilitate the community self-assessment, and a self-assessment tool has been developed for communities to use.
3. Encourage tribal health corporations to assume the operations of assisted living homes. State Medicaid expenditures for tribal beneficiaries, if they are provided by tribal health entities, are reimbursed 100% by the federal government.

### **Recommendations by Community Levels-of-Care**

The Community Levels-of-Care developed by the State of Alaska, Division of Community Health and Emergency Medical Services, divides communities into five different levels. These five levels correspond to the population, transportation, and health services available in the communities. Locating assisted living homes in larger population areas that have a certain level of health and transportation services available makes sense. Larger communities will be more likely to have enough need for the services to support an assisted living home, and to have the infrastructure, workforce, and management capability to ensure success.

<b>ALASKA COMMUNITY LEVELS-OF-CARE</b>			
<b>Community Type</b>	<b>Population</b>	<b>Health Services</b>	<b>General Access</b>
Level I - Village	50 – 1,000	Community Clinic with CHA or EMT.	Limited air or marine highway access to a level III or higher community; road access exceeds 60 miles.
Level II – Subregional Center	500 – 3,000	Community clinic with PA, NP, MD, or DO.	Marine highway or daily air access to closest Level III or higher community; year round 60-minute or less road access.
Level III – Large Town or Regional Center	2,000 – 10,000+	Community hospital and physicians.	Daily airline service to Level II, IV, and V communities; air service to level I communities in area; road or marine highway access all year (if on road or marine highway system.)
Level IV – Small City	10,000 – 100,000	Hospitals with 24-hour staffed emergency dept. and full continuum of care; multiple providers of health care and other services.	Daily airline service to Level II, III, IV, and V communities; road or marine highway access all year.
Level V – Urban Center	100,000+	Some specialized medical and rehabilitation services for low incidence problems.	Daily airline service to Level II, III, IV, and V communities; road or marine highway access all year.

1. **Level IV (small city) and Level V (urban center):** Level IV and V communities should be able to demonstrate actual need through careful market analysis in order to receive funding for development of additional assisted living homes. At the time, there are many empty units in Anchorage, although niche markets for specific

populations (e.g. Alaska Native) may exist. Additional affordable assisted living in Fairbanks and Juneau is needed.

2. **Level III Large Town or Regional Centers:** Level III communities that do not have any long-term care facilities (nursing home, swing beds, or assisted living home) *have the highest priority for development*. Currently the only community meeting those criteria is Bethel. Second priority for Coming Home Program technical assistance shall be given to Level III communities that currently have long-term care beds located at the hospital and/or assisted living homes, and have demonstrated a need for additional assisted living. Those communities could include Seward, Wrangell, Barrow, Dillingham, Homer, Kodiak, Kotzebue, and Sitka.
3. **Level II Subregional Centers:** Level II communities that desire an assisted living home should carefully explore the financial feasibility of the project; small projects may not be sustainable. Community resources such as the current health care system, other home and community based services, workforce, utility infrastructure, and working relations between agencies should be evaluated to see if they can adequately support an assisted living home. Some of the Level II communities located on the highway system already have assisted living homes, especially if they are close to a hospital. For example, Wasilla and North Pole are Level II highway communities. Currently, the only isolated (off road-system) Level II community with an assisted living home is Tanana, which is subsidized by state and local funds. Level II communities should serve a population of at least 1000 people within their subregion to be considered for sustainable development of an assisted living home.
4. **Level I Villages:** Encourage isolated and road-system villages to develop or provide alternative home and community based services for Elders and people with disabilities. Home and community based alternatives to assisted living may include independent senior housing, personal care attendants, congregate and/or home delivered meals, home modifications, transportation, home health, chore service, and respite care. Level I communities may consider strengthening their connections to larger communities by collaborating with subregional or regional centers to develop assisted living homes. Level I communities may develop creative ways to meet the needs of their Elders, such as the “mixed-use supportive housing” model developed by North Pacific Rim Housing Authority, which utilizes a combination of accessible housing and family resources to meet the needs of community Elders.

## **Conclusions**

Each community in Alaska is unique, and must be evaluated on its own merits. However, an overall development scheme, which prioritizes communities with the most need and the greatest chance of success, will be useful to planners, developers, and funders. Although assisted living homes are not feasible to develop in all communities, there are many rural communities that could support new or additional assisted living, and that have a great need for the services. Developers should take into consideration the current population, utility infrastructure, medical and transportation resources, and existing residential long-term care resources. The following chart prioritizes communities for

assisted living development based on the foregoing factors. In addition, critical considerations may include the existence of actual need, a qualified workforce, community interest and commitment, capacity of a lead agency, cost of construction, and strength of existing home and community based services.

<b>RURAL ALASKAN COMMUNITIES RECOMMENDED FOR ASSISTED LIVING DEVELOPMENT</b>				
<b>Priority</b>	<b>Community</b>	<b>Current Swing Beds</b>	<b>Current Nursing Home Beds</b>	<b>Current Assisted Living Units</b>
First	Bethel	3	0	0
Second	Nome	0	15	0
	Valdez	15	0 (ten under construction)	0
	Petersburg	5	15	0 (twelve under construction)
	Cordova	4	10	0
	Wrangell	4	14	5
	Seward	4	66	5
	Barrow	0	0	11
	Dillingham	4	0	15
	Kodiak	6	19	20
	Kotzebue	0	0	20
	Sitka	4	15	102
	Kenai/Soldotna	8	60	42
	Homer	4	25	64
Third	Craig, Metlakatla, Haines, Unalaska, Anchor Point, Big Lake, Meadow Lakes, Nikiski, Tok, Delta, Healy, Ridgeway, Glennallen, Emmonak, Galena, Naknek, Togiak, Aniak, Fort Yukon, Gambell, Sand Point, Unalakleet.			

<sup>1</sup> Alaska Assisted Living Homes – Location, Size, and Owner/Operator Status August 2003. State of Alaska DHSS Division of Senior and Disabilities Services.

<sup>2</sup> “Seniors in Alaska”, Alaska Economic Trends. Alaska Department of Labor and Workforce Development, December 2001. [www.labor.state.ak.us/research/research.htm](http://www.labor.state.ak.us/research/research.htm)

<sup>3</sup> Medicaid Management Information Systems (MMIS); FY03 Data for Nursing Home, PCA, and Waivers. State of Alaska DHSS Division of Senior and Disabilities Services.